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A. GENERAL INFORMATION

1. Date

November 8, 2022

2. Department

California Energy Commission

3. Organizational Placement (Division/Branch/Office Name)

Renewable Energy & Decarbonization Incentives (RREDI) Division

4. CEA Position Title

Deputy Director of Renewable and Reliability

5. Summary of proposed position description and how it relates to the program's mission or purpose.
(2-3 sentences)

Under the general direction of the Director of the Renewable Energy Division, this CEA (Deputy Director) provides leadership and management direction in the promotion of renewable energy activities advancing renewable energy, grid resilience and reliability, and energy equity in transitioning to a clean energy economy. The Deputy Director functions as an extension of the Director, advising and collaborating with the Director on renewable energy and grid reliability, investment strategy, and complex energy sector technology and policy matters; managing Division programs and project.

6. Reports to: (Class Title/Level)

Director of Reliability, Renewable Energy & Decarbonization Incentives (RREDI) Division, CEA Level B

7. Relationship with Department Director (Select one)

- ☒ Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- ☐ Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain):

8. Organizational Level (Select one)

- ☐ 1st ☐ 2nd ☐ 3rd ☒ 4th ☐ 5th (mega departments only - 17,001+ allocated positions)

B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

The California Energy Commission (CEC) is the lead agency managing the transition from a grid dominated by large, fossil-fueled, centralized power plants to one dominated by distributed renewable generation resources such as rooftop solar, grid-integrated zero-emission-vehicle (ZEV) batteries, fuel cells, and decentralized energy storage systems and demand response. This fundamental transformation of California's energy system requires an interrelated web of complex policy development and implementation to ensure that the electrical grid is reliable – avoiding black outs, brown outs, and the subsequent threat to public health and safety and economic turmoil stemming from such energy disruptions. This proposed CEA has an important portfolio in that policy web to develop and implement.

Under the direction of the Director of the Reliability, Renewable Energy, and Decarbonization Incentives (RREDI) Division, this CEA (Deputy Director) provides policy leadership and management direction in the development and execution of policies and programs to meet the State's renewable energy, grid reliability, and equity goals in the transition to a clean energy economy.

The Deputy Director will provide leadership, managerial oversight, and strategic policy guidance over three branches – the Clean Energy and Technology Branch, the Strategic Reliability Reserve Branch, and the Clean Energy & Reliability Investment Plan Branch. In this role, the Deputy Director is responsible for formulating, reviewing, and implementing policies, regulations, and procedures to implement aspects of the State's clean energy and grid reliability policy goals as enacted in Senate Bill 846 (Dodd, 2022), Assembly Bill 205 (Committee on Budget, 2022), and Assembly Bill 209 (Committee on Budget, 2022).

Specifically, the Deputy Director will implement the Clean Energy Reliability Investment Plan (CERIP) – expected to provide nearly a billion dollars to advance California towards a 100 percent zero-carbon and renewable energy system by 2045. As the State shifts away from combustion fossil-fueled power plants and moves to cleaner energy resources, it must ensure grid reliability – avoiding black-outs and brown-outs and the related impacts to public safety, health and the economy. Plan implementation will include substantial policy development to grow the diversity of California's energy resources (e.g. geothermal, solar, offshore wind, energy storage, micro-grids, fuel cells, and demand response) to ensure stability in California's energy supply. For example, as the Deputy Director looks to invest in fuel cells that provide a stable energy source, this policymaker will need to evaluate such factors as fuel type – including cost, availability and relative greenhouse gas (GHG) emissions – the life cycle cost-benefits of the equipment, potential offramps from fossil fuels, ensuring grid reliability, technology and project readiness, and the State's goal to transition to clean energy by 2045.

Additionally, the Deputy Director will need to develop and implement policies that promote adoption of this diversified energy portfolio across sectors – commercial, residential, bulk-grid, distributed, and supply and demand side, as well as across utilities. It will also be essential to develop and implement policies that avoid increasing ratepayer costs.

The Deputy Director will advise and collaborate with the Director, Executive Director, and Commissioners on renewable energy and grid reliability, investment strategy, and complex energy sector technology and policy matters.

The Deputy Director will also lead the development and implementation of Division policies and functions including, managing the Division budget, work plans, and processes, assessing and supporting staff activities and performance; and overseeing Division activities related to the promotion of renewable energy, and grid reliability and resilience. The Deputy Director may perform the functions of the Director in the Director's absence.

B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- ☒ Program is directly related to department's primary mission and is critical to achieving the department's goals.
- ☐ Program is indirectly related to department's primary mission.
- ☐ Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: As noted above, the CEC is the lead agency managing the transition from a grid dominated by large, fossil-fueled, centralized power plants to one dominated by distributed renewable generation resources. The CEC's seven core missions includes developing renewable energy and preparing for energy emergencies by ensuring grid reliability and resilience. In August 2020, California experienced rolling blackouts for the first time in 20 years. Since that time, the State has taken numerous steps to avoid future blackouts though much work still needs to be done.

While California has abundant electricity resources to serve load throughout much of the year, we still lack adequate resources to reliably meet the system "net peak". The State has dedicated funding through SB 846 and AB 205 and developed resources to begin to make up for this shortfall through a variety of programs. This includes funding for new clean energy resources such as the Distributed Electricity Back-up Assets (DEBA) Program under the Strategic Reliability Reserve. The DEBA Program is intended to ensure the installation of cleaner and more efficient distributed energy assets that would serve as on-call emergency supply or load reduction for the state's electrical grid during extreme events.

The Deputy Director will develop and implement policies for DEBA, Demand Side Grid Support (DSGS), and the CERIP investment plan. This troika of programs will diversify California's energy resources and reduce peak energy demand – critical strategies for creating a resilient and reliable electrical grid as the State transitions to a 100 percent renewable energy system. Preparing for energy emergencies by ensuring grid reliability and resilience is essential to the CEC's mission and is necessary to make the clean energy transition. The products and programs to be implemented in these branches are fundamental to execute the integrated statewide energy planning required by State law and is essential to maintain system reliability. The failure to meet the State's grid reliability needs will lead to loss of life and severe economic impacts.

B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

As noted above, California has made unprecedented investments in grid resilience and grid reliability via Senate Bill 846 (Dodd, 2022), Assembly Bill 205 (Committee on Budget, 2022), and Assembly Bill 209 (Committee on Budget, 2022). These measures provide \$700 million for DEBA, \$295 million for DSGS, and a billion dollars for CERIP – all programs to be administered by the Deputy Director.

In the past 12 months, California has enacted the nation's most aggressive energy and climate change mitigation measures in history. This bold action requires extensive coordination, collaboration and partnership across regulatory agencies including the California Independent System Operator (CAISO) CPUC, CARB, utilities, private stakeholders, project developers, and building experts, among others. To design, implement and administer programs that are effective and achieve envisioned outcomes, Deputy Directors require a detailed knowledge of regulatory processes and existing rules governing the state's utilities and community choice aggregators. This includes knowledge of the rulemaking, ratemaking and rate-setting processes, demand response proceedings, and accounting related to energy markets. Also, familiarity with procedures of conducting hearings before the Energy Commission, other regulatory agencies, and the Legislature. The knowledge, skills, abilities, and experience at the CEA level is necessary to advancing these objectives to meet these critical energy and climate goals of the State of California.

This workload will continue to increase as the state moves toward the 100 percent clean energy resources mandate by 2045 and continues to grapple with climate change and extreme weather events. To address the significant challenges California faces to meet its clean energy and reliability goals, the CEC has been tasked with new responsibilities. To address this expanded mandate, the (formerly) Renewable Energy Division (now the Reliability, Renewable Energy & Decarbonization Incentives Division) is expanding to include policy areas of reliability and market integration as identified in AB 205 and SB 846 – which create the Strategic Reliability Reserve and the Clean Energy Reliability Investment Plan.

C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

As noted above, California has made unprecedented investments in grid resilience and grid reliability via Senate Bill 846 (Dodd, 2022), Assembly Bill 205 (Committee on Budget, 2022), and Assembly Bill 209 (Committee on Budget, 2022). These measures provide \$700 million for DEBA, \$295 million for DSGS, and a billion dollars for CERIP – all complex programs to be administered by the Deputy Director.

The Deputy Director will develop and implement policies to administer the Distributed Electricity Backup Assets (DEBA) Program. DEBA will incentivize the construction of cleaner and more efficient distributed energy assets that will serve as on-call emergency supply or load reduction for the state's electrical grid during extreme events. DEBA will fund zero- and low-emission distributed assets including battery and non-battery storage, controls and automation systems, hydrogen fuel cells, linear generators, and microgrids. Other clean technologies may be considered. DEBA may also fund efficiency upgrades at existing power plants to increase available capacity in support of electric reliability. DEBA is an essential program for enabling grid resilience and grid reliability. Ensuring grid reliability avoids black-outs and brown-outs and the related impacts to public safety, health and the economy.

Likewise, the Deputy Director will develop and implement policies to administer the Demand Side Grid Support Program (DSGS) program. As part of the Strategic Reliability Reserve, the program incentivizes load reduction for large energy consumers during extreme heat events to support California's grid reliability. Ensuring grid reliability avoids black-outs and brown-outs and the related impacts to public safety, health and the economy.

The Deputy Director of Emergency Planning and Reliability in the Energy Assessments Division is responsible for forecasting and planning to identify the investment areas for the Clean Energy Reliability Investment Plan (CERIP) plan. The Deputy Director (this CEA) will implement the Clean Energy Reliability Investment Plan (CERIP) – expected to provide nearly a billion dollars to advance California towards a 100 percent zero-carbon and renewable energy system by 2045. As the State shifts away from combustion fossil-fueled power plants and moves to cleaner energy resources, it must ensure grid reliability – avoiding black-outs and brown-outs and the related impacts to public safety, health and the economy. Plan implementation will include substantial policy development, as noted above, to grow the diversity of California's energy resources (e.g. geothermal, solar, offshore wind, energy storage, microgrids, fuel cells, and demand response) and support stability in California's energy supply.

This troika of programs will diversify California's energy resources and reduce peak energy demand – critical strategies for creating a resilient and reliable electrical grid as the State transitions to a 100 percent renewable energy system. This Deputy Director will provide leadership and will require a broad policy perspective and a high degree of political sensitivity to advance and spur the market adoption and implementation of the State's policy goals. Preparing for energy emergencies by ensuring grid reliability and resilience is essential to the CEC's mission and is necessary to make the clean energy transition.

C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

This CEA-(Deputy Director) provides leadership and management direction in the promotion of renewable energy activities advancing renewable energy, and grid resilience and reliability. The Deputy Director functions as an extension of the Director, advising and collaborating with the Director on renewable energy and grid reliability, investment strategy, and complex energy sector technology and policy matters; managing Division programs and projects and performs the functions of the Director in the Director's absence.

The nature of decision-making authority includes the policy, technical and administrative subject areas overseen by three branches (Clean Energy & Technology; Reliability; Clean Energy Investment Plan) of the Renewable Energy Division, with division director oversight, and in consultation with the Commissioners of the Energy Commission, statewide legislators and policymakers and finally a broad range of stakeholders.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

As noted above, California has made unprecedented investments in grid resilience and grid reliability via Senate Bill 846 (Dodd, 2022), Assembly Bill 205 (Committee on Budget, 2022), and Assembly Bill 209 (Committee on Budget, 2022). These measures provide \$700 million for DEBA, \$295 million for DSGS, and a billion dollars for CERIP – all complex programs to be administered by the Deputy Director.

Accordingly, the CEA will be both developing and implementing new policy for DEBA, DSGS, and CERIP, and interpreting existing policy under CEC's expanded mandate to make investments to advance California towards a 100 percent zero-carbon and renewable energy system by 2045 and support grid resilience and reliability.

The interpretation of existing policies is not redundant nor does it overlap with responsibilities of an existing CEA, rather it is a result of the re-organization to strengthen the CEC's ability to address its expanded responsibilities.

Related policies will be developed, interpreted and implemented in accordance with statutory mandates, consultation with CEC leadership and sister agencies (CA Public Utilities Commission, Department of Water Resources, CA Air Resources Board), the CA ISO, through the development of regulations and guidelines and subject to public and stakeholder feedback.

The CEA will also lead the development and implementation of Division policies and administrative activities, including managing the Division budget, work plans, and processes; assessing and supporting staff activities and performance; and overseeing the Divisions activities related to technology transfer and quantification and communication of program benefits.